

SENATE SUMMARY OF HOUSE AMENDMENTS

SB 175 By Senator Appel**KEYWORD AND SUMMARY AS RETURNED TO THE SENATE**

MOTOR VEHICLES. Provides relative to unauthorized acts of certain persons regulated by the Louisiana Motor Vehicle Commission. (8/1/12)

SUMMARY OF HOUSE AMENDMENTS TO THE SENATE BILL

1. Clarifies that the required repurchase of items when a motor vehicle dealer terminates his franchise is to occur within 30 days after the dealer satisfies requirements for a final inventory of, and tender to the manufacturer of parts, special tools and services on hand.
2. Clarifies that the required repurchase of items when a specialty vehicle dealer terminates his franchise is to occur within 30 days after the dealer submits a final inventory of vehicles and parts on hand.
3. (a) Clarifies that the required repurchase of items when a recreational products dealer terminates his franchise is to occur within 60 days after the dealer submits a final inventory of vehicles and parts on hand.

(b) Adds provision that the 60 day period involving a recreational products dealer does not apply to the repurchase of marine products and related items.

DIGEST OF THE SENATE BILL AS RETURNED TO THE SENATE

Appel

SB No. 175

Present law provides for unauthorized actions of a manufacturer, distributor, wholesaler, distributor branch, factory branch, or converter of motor vehicles, or officer, agent, or other representative thereof.

Proposed law retains present law and prohibits a manufacturer, distributor, wholesaler, distributor branch, factory branch, or converter of motor vehicles, or officer, agent, or other representative thereof from charging back, denying vehicle allocation, withholding payments, or taking any other adverse actions against a motor vehicle dealer because of a sale of a new motor vehicle that is exported from the United States, unless it is shown that the dealer knew or reasonably should have known on the date of the sale that the new motor vehicle was to be exported. Provides that the dealer is rebuttably presumed to have no knowledge of the export if the motor vehicle is sold by the dealer to a resident of the United States who titles and registers the motor vehicle in any state within the United States.

Present law provides for the requirements upon termination of a dealer licensee.

Present law requires the repurchase of all new motor vehicles, recreational products, and specialty vehicles of the current and last prior model year delivered to the licensee and parts on hand that have not been damaged or substantially altered to the prejudice of the manufacturer while in the possession of the licensee. Requires repurchase at fair market value of all special tools and automotive service equipment owned by the dealer which were recommended in writing and designated as special tools and equipment and purchased from or purchased at the request of the manufacturer, converter, distributor, or representative, if the tools and equipment are in usable and good condition except for reasonable wear and tear. Requires that fair market value be no less than the cost of acquisition of special tools and automotive service equipment by the dealer. Proposed law retains these provisions but provides that the items to be repurchased have been purchased in the ordinary course of business.

Present law provides that a repurchase of certain products, by a manufacturer or converter when a licensee ceases to engage in business, occur within 30 days for motor and speciality vehicle dealers after receipt of a final inventory of vehicles and parts and 60 days after receipt of final inventory as to recreational products dealers.

Proposed law requires the manufacturer or converter, after a motor vehicle dealer terminates his franchise, to repurchase its products within 30 days after the dealer satisfies all of the following conditions:

(i) The dealer submits a final inventory of motor vehicles and parts, special tools, and automotive services on hand.

(ii) The dealer tenders the parts, special tools, and automotive service equipment to the manufacturer.

Proposed law requires the manufacturer or converter, after a specialty vehicle dealer terminates his franchise, to repurchase its products within 30 days after the dealer submits a final inventory of vehicles and parts on hand.

Proposed law requires the manufacturer or converter, after a recreational products dealer terminates his franchise, to repurchase its products, except marine products and related items, within 60 days after the dealer submits a final inventory of vehicles and parts on hand.

Effective August 1, 2012.

(Amends R.S. 32:1268(A)(1)(a)(intro para) and (c), (2) and (B); adds R.S. 32:1261(1)(x))

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